IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No 97 of 2000

And

COMPANY PETITIONS Nos.98, 99, 100, 101, 102, 103
and 104 of 2000.

For Approval and Signature:

Hon'ble MR.JUSTICE C.K.BUCH

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : YES

2. To be referred to the Reporter or not? : NO

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the Civil Judge? : NO

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AMTREX AIR-CONDITIONING SYSTEMS PVT. LTD.

Versus

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Appearance:

MRS SWATI SOPARKAR for Petitioner

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CORAM : MR.JUSTICE C.K.BUCH

Date of decision: 14/09/2000

ORAL JUDGEMENT

#. Heard the learned counsel appearing for the petitioners - companies. All the companies have prayed that the scheme of amalgamation under section 394(1) of the Companies Act, 1956 be accepted and all the companies be amalgamated as per the scheme proposed by the petitioners.

#. While admitting the matters, this court had ordered to issue notice to the Central Government and the Official Liquidator. It was also directed that, public advertisement also be published in the "Indian Express" English Daily and "Jansatta" Gujarati Daily, both published from Ahmedabad.

#. I have gone through the averments made in the petitions and the reports of the Official Liquidator to the effect that the affairs of the companies have not been conducted in the manner prejudicial to the interest of the members or the public interest. Ms.P.J.Dawavala who is present in the court has submitted a letter addressed to her dated 6.9.2000 written by the Registrar of Companies, Gujarat, on behalf of the Government of India, Department of Companies Affairs stating that the matters may be left to the court to decide on merits. In nutshell, the Government of India has not resisted any of the petitions which are subject matters of today's order.

#. During the course of submissions, Ms.Soparkar, learned counsel appearing for the petitioners-companies has submitted that in reality amalgamation procedure and the scheme relate to the total 10 companies, but as two companies out of this group of 10 are situated within the territorial jurisdiction of the Bombay High Court and the appropriate proceedings are being going on and pending before the Bombay High Court.

#. These are the petitions filed by eight companies viz. Amtrex Airconditioning Systems Private Limited, Akal Trading Private Limited, Antariksh Trading Private Limited, Cornerstone Exports Private Limited, Orbit Finmark Limited, Sanmitra Investments Private Limited and Turnpike Investments Private Limited (Transferor Companies) and Arpan Realty Private Limited (the Transferee Company) for sanction of a scheme of amalgamation of the former seven Transferor companies with the eighth company which is a Transferee Company under section 391 read with section 394 of the Companies Act, 1956. The scheme of amalgamation indicates amalgamation of two more companies also, viz. Bagade Pise Engineering Private Limited and Sharad Electricals Private Limited. However, since these two companies have

their registered offices in Bombay, the necessary proceedings have been taken up in the High Court of Bombay and the present order pertains only to the companies before this High Court.

#. All the Transferor Companies, though originally promoted for different activities, at present, are engaged mainly in the activity of finance and investments. The Transferee Company is engaged in the business of Real Estate Development and allied activities. The amalgamation would give the synergic benefits to the amalgamated company. The petitions give details of the advantages that would flow by virtue of the amalgamation of these companies.

#. All the Equity shareholders of all the Transferor Companies and the Transferee Company had approved the scheme by written consents. There are no secured creditors in case of any of the Transferor companies. All the unsecured creditors of all the Transferor Companies had approved the scheme by written consents. These consent letters were put on record alongwith respective company applications. Hence, the meetings of the shareholders of all the companies and the creditors of the Transferor Companies were dispensed with by this High Court vide order dated 5.4.2000 passed in the respective company applications.

#. After the petitions were admitted they were advertised in the newspaper and the publication in the Government Gazette was dispensed with as directed in the order dated 19.4.2000. No one has come forward with any objections to the said petitions even after the publication.

#. Notice of the petitions has been served upon the Central Government and Shri Akshaybhai Mehta, Central Government Standing Counsel and Smt.P.J.Dawawala, Additional Central Government Standing Counsel appearing for the Central Government have stated that the Central Government has no objection in sanctioning the Scheme of Amalgamation. Smt.Dawawala has put on record the letter dated 6.9.2000 from the office of the Registrar of Companies to the said effect.

##. Notices of the petitions of the Transferor Companies have also been served upon the Official Liquidator as required under 2nd proviso to section 394(1) of the Act and the Official Liquidator has filed his Reports dated 7.9.2000 stating that the affairs of the Transferor Companies have not been conducted in a manner prejudicial

to its members or to public interest.

##. I have heard Smt.Swati Saurabh Soparkar, learned Advocte for the petitioner companies. Having gone through the petitions I am satisfied that amalgamation would be in the interest of the companies and their members. Under the circumstances the Scheme of Amalgamation (Annexure-C to the petitions) is sanctioned. Prayers in terms of para 15(A) in case of the Transferee Company in Company Petition No.103/2000 and in terms of Para 15(A) in case of all other petitions of the Transferor Companies are granted.

##. The petitions are disposed of accordingly. So far as the costs to be paid to the Central Government Standing Counsel is concerned, I quantify the same at Rs.2500/- per petition. The same is to be paid to Shri Akshaybhai Mehta for four petitions and to Smt.P.J. Dawawala for four other petitions.

(C.K.Buch,J)
(pathan)